GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:750
ANSWERED ON:01.03.2016
Hiring of Godowns by FCI
Ram Shri Janak

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Food Corporation of India (FCI) takes godowns on rent for storage of its foodgrains;
(b) if so, the details thereof indicating the number of godowns taken on rent, their capacity and the amount spent thereon during each of the last three years and the current year, State-wise;
(c) whether any irregularities has been detected regarding the capacity utilisation, fixation and payment of rents for these godowns;
(d) if so, the details thereof indicating the number of cases detected during the said period and the action taken thereon; and
(e) the details of the mechanism established for monitoring the issues like utilisation of the godowns hired, payment of the rent etc. and the remedial measures taken to stop such irregularities?

Answer

MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI RAM VILAS PASWAN)
(a) & (b): Yes, Madam. Food Corporation of India (FCI) hires godowns for storage of its foodgrains from Central Warehousing Corporation (CWC) and State Warehousing Corporations (SWCs). In addition, FCI has got godowns constructed for long term hiring through private parties under Private Entrepreneurs Guarantee (PEG) Scheme in Public Private Partnership, under which FCI pays guaranteed hiring charges for 10 years. Further, in places where sufficient capacity is not available, private godowns are also hired through competitive bidding for one year.
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As on 31.01.2016, 1345 godowns of total capacity 205.27 Lakh MT have been taken on rent by FCI. The statement showing number of godowns taken on rent, capacity and amount spent state-wise during the last three years and the current year in the country is at Annexure.
(c) & (d): No, Madam.
(e): Adequate checks and balances are in place in the form of Internal Audit and CAG audit so as to ensure proper utilization of available capacity whether owned or hired. Monitoring and review of depot-wise capacity utilization is also carried out in monthly performance review meetings by Regional Offices/Zonal Offices/FCI Head Quarter to ensure optimum utilization of storage capacity and to minimize the cost of storage. Information Technology based systems such as Integrated Information System for Foodgrains Management (IISFM) with Rapid Reporting System (RRS) are also being used for this purpose.
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